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POLICY

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China - Peoples Republic of

Post: Beijing

China Implements Schedule II of Its 301 Retaliatory Tariffs

Report Categories:

Trade Policy Monitoring

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Report Highlights:

On August 23, 2018, the People's Republic of China's Ministry of Commerce (MOFCOM) implemented the tariffs listed in Schedule II, originally announced on June 16 (see [CH18034](#)), then revised on August 9 (see [CH18047](#)). The Schedule II tariffs cover \$16 billion USD of trade, with a tariff rate of 25 percent. Only a few agricultural and agricultural-related products are included in Schedule II. U.S. exporters of the affected commodities should be aware that the new tariffs were effective August 23, and should check with local importers to verify changes in tariff treatment.

General Information: China's August 23 implementation of these Schedule II tariffs was previously announced on August 8, 2018. Concurrent to these tariffs entering into force, MOFCOM also made an announcement titled "Ministry Of Commerce Spokesperson Speaks on U.S. Tariffs on \$16 Billion of Chinese Products" published on the Ministry of Commerce (MOFCOM) website. Below is an unofficial translation of that announcement.

Announcement Link: <http://www.mofcom.gov.cn/article/ae/ag/201808/20180802778486.shtml>

Disclaimer: In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Mandarin, the latter shall prevail.

UNOFFICIAL TRANSLATION OF MINISTRY OF COMMERCE ANNOUNCEMENT

Dated: August 23, 2018, 12:01 a.m.

On August 23, under the 301 investigation, a 25% tariff was unilateral imposed by the United States on \$16 billion in products imported from China, which clearly violated WTO rules. In this regard, China firmly opposes it and has to continue to make the necessary countermeasures. At the same time, in order to defend free trade and the multilateral system and defend its legitimate rights and interests, China will file a lawsuit against this taxation measure under the WTO dispute settlement mechanism.